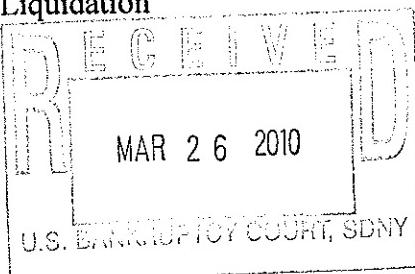


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UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

-----x  
SECURITIES INVESTOR PROTECTION CORPORATION, : Adv. Pro. No. 08-01789 (BRL)  
Plaintiff, : SIPA Liquidation  
v. :  
BERNARD L. MADOFF INVESTMENT SECURITIES LLC, :  
Defendant. :  
-----x



**OBJECTION TO TRUSTEE'S DETERMINATION OF CLAIM OF SMC ALTERNATIVE STRATEGIES FUND, LTD.**

SMC Alternative Strategies Fund, Ltd. ("Claimant"), by and through its General Partner, Spring Mountain Capital, LP ("Spring Mountain") and Spring Mountain's attorneys, hereby files this Objection to the Trustee's Determination of Claim, and respectfully represents as follows:

1. Claimant invested in SMC Select Co-Investment Feeder Fund I, LLC, which in turn invested in Spring Mountain Partners QP I, LP ("QP I"). QP I invested in Ascot Fund Limited, a feeder fund to Ascot Partners, L.P. ("Ascot") as well as Ariel Fund Limited ("Ariel") and Gabriel Capital, L.P. ("Gabriel"), each of which, in turn, invested in Bernard L. Madoff Investment Securities LLC ("BLMIS"). It is Claimant's understanding that Ascot

invested materially all of its capital in BLMIS, and that each of Ariel and Gabriel invested approximately 30 percent of its capital with BLMIS. Claimant also invested in SMC Reserve Fund II, LP, which invested in Ascot, Ariel and Gabriel, each of which, in turn, invested in BLMIS. It is Claimant's understanding that Ascot invested materially all of its capital in BLMIS, and that each of Ariel and Gabriel invested approximately 30 percent of its capital with BLMIS. Claimant also invested in SMC Leveraged Fund, LLC, which invested in Ariel and Gabriel, each of which, in turn, invested in BLMIS. It is Claimant's understanding that each of Ariel and Gabriel invested approximately 30 percent of its capital with BLMIS. Claimant also invested in SMC Alternative Strategies Fund, LLC, which invested in Ariel and Gabriel, each of which, in turn, invested in BLMIS. It is Claimant's understanding that each of Ariel and Gabriel invested approximately 30 percent of its capital with BLMIS. Through these investments in underlying funds with BLMIS exposure, Claimant lost a total of \$6,050,283.

2. Claimant duly filed Customer Claims (Claim No. 012111, Claim No. 012109, Claim No. 014807, Claim No. 014808, Claim No. 014812, Claim No. 014810, Claim No. 012097, and Claim No. 012112) with the Trustee in the amount of \$6,050,283.

3. On December 8, 2009, by Notice of Trustee's Determination of Claim (see Exhibit A attached hereto), the Trustee notified Claimant that its claim had been denied on the following basis:

Based on a review of available books and records of BLMIS by the Trustee's staff, you did not have an account with BLMIS. Because you did not have an account, you are not a customer of BLMIS under SIPA as that term is defined at 15. U.S.C. § 78lll (2). Accordingly, your Claim for securities and/or a credit balance is **DENIED**.

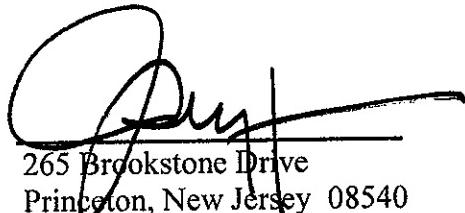
4. Claimant objects to the Trustee's determination that it was not a "customer" of BLMIS for the reasons, to the extent relevant, set forth in the opposition motions

submitted by the following similarly-situated claimants: (1) Susan Saltz Charitable Lead Annuity Trust and Susan Saltz Descendants Trust, Objections to Trustee Picard's Determination of Claims, filed December 22, 2009; (2) John A. Jamison, *et al* by Anchor Holdings, LLC, Objection To Determination of Claims of John A. Jamison, Et Al by Anchor Holdings, LLC, filed December 28, 2009; and (3) Esteban Arce Herrera and Nieves Santisteban, Objection to Trustee's Determination of Claim, filed December 30, 2009. Claimant does not waive any additional grounds on which it might object to the Trustee's determination and expressly reserves the right to object to the Trustee's determination on additional grounds in the future.

5. Claimant additionally files this objection for the purpose of preserving any rights which may be recognized by this Court for persons who made indirect investments in BLMIS through feeder funds.

6. Claimant respectfully requests that any hearing relating to this Opposition be scheduled at the same time as the hearings for objections by other similarly-situated claimants including, at a minimum, those claimants referenced above.

Dated: New York, New York  
January 7, 2010



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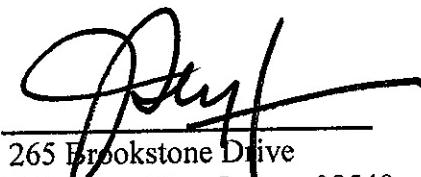
CERTIFICATE OF SERVICE

I, John L. Steffens, certify that on January 7, 2010 a copy of the annexed  
Objection to Trustee's Determination of Claim was served via hand delivery the below persons  
at the addresses set forth below on January 7, 2010.

Clerk of the United States Bankruptcy Court for  
the Southern District of New York  
One Bowling Green  
New York, New York 10004

Irving H. Picard, Trustee  
c/o Baker & Hostetler LLP  
Attn: Claims Department  
45 Rockefeller Plaza  
New York, New York 10011

Dated: New York, New York  
January 7, 2010



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